

FISCAL NOTE

SB 711 - HB 885

February 17, 2005

SUMMARY OF BILL: Clarifies that courts of this state must honor valid orders of other courts of this state regarding collection of debts, including child support and alimony orders that direct that one party is responsible for a debt; disallows collecting debt from third parties.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact:

Decrease Federal Revenues - \$44,266,100 Year One

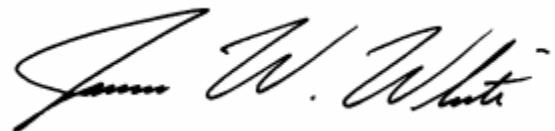
\$48,526,100 Year Two and subsequent years

Assumptions:

- Child support could not be collected from employers, banks and other entities.
- Federal child support law in 42 U.S.C. § 666 requires procedures for income assignments from employers and seizure of financial assets of persons delinquent in payment of child support.
- Federal law governing the Temporary Assistance to Needy Families(TANF) program requires that the state have a child support program in compliance with federal law subject loss of federal funding
- Decrease in federal revenues of \$44,266,100 from loss in federal funding of Title IV-D matching dollars for the Child Support program.
- Penalties assessed against State Block Grant for TANF in the second year would be a loss of federal revenue of \$4,260,000 which represents 2% of \$213,000,000 with increasing percentage loss of funding in succeeding years.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director